

"(b) The salaries or wages paid by the Territory of Hawaii, or any of its political subdivisions, for services rendered in connection with the exercise of an essential governmental function of the Territory or its political subdivisions, shall not be taxable by the United States in the administration of the income tax laws."

Approved, April 12, 1930.

Territorial salaries, etc., not subject to Federal income tax.

**CHAP. 137.**—An Act To approve act numbered 29 of the session laws of 1929 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within Hanalei, in the District of Hanalei, island and county of Kauai."

April 12, 1930.  
[H. R. 7984.]  
[Public, No. 117.]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That act numbered 29 of the session laws of 1929 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within Hanalei, in the District of Hanalei, island and county of Kauai," passed by the Legislature of the Territory of Hawaii and approved by the Governor of the Territory of Hawaii on April 19, 1929, is hereby approved: *Provided*, That the authority in section 16 of said act for the amending or repeal of said act shall not be held to authorize such action by the Legislature of Hawaii except upon approval by Congress in accordance with the Organic Act: *Provided further*, That nothing herein shall be construed as an approval by Congress of the theory of establishing value on the actual cost of reproducing or replacing property as contained in section 18 of the said act.

Hawaii.  
Grant of electric franchise in Kauai County, approved.

*Provisos.*  
Amendment subject to approval of Congress.

No approval of establishing cost of reproducing property, etc.

Approved, April 12, 1930.

**CHAP. 138.**—An Act To authorize the incorporated town of Cordova, Alaska, to issue bonds for the construction of a trunk-sewer system and a bulkhead or retaining wall, and for other purposes.

April 12, 1930.  
[H. R. 8559.]  
[Public, No. 118.]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the incorporated town of Cordova, Alaska, is hereby authorized and empowered to issue its bonds in any sum not to exceed \$50,000 for the purpose of constructing a trunk-sewer system in said town and a bulkhead or retaining wall on First Street of said town: *Provided, however*, That no issue of bonds or other instruments of any such indebtedness shall be made, other than such bonds or other instruments of indebtedness in serial form maturing in substantially equal annual installments, the first installment to mature not later than five years from the date of the issue of such series and the last installment not later than thirty years from the date of such issue.

Cordova, Alaska.  
May issue bonds for sewer system, etc.

*Proviso.*  
Form, etc., of bonds.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the town of Cordova, at which election the question whether such bonds shall be issued shall be submitted to the qualified electors of said town of Cordova. Thirty days' notice of any such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

Special election to authorize.

SEC. 3. That the registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as nearly as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said

Conduct of election.

bonds shall be issued only upon the condition that not less than 65 per centum of the votes cast at such election in said town shall be in favor of issuing said bonds.

**Interest rate, sale of bonds, etc.** SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate not to exceed 6 per centum per annum, payable semiannually, and shall not be sold for less than their par value with accrued interest, and shall be in such denominations as the common council of said town may designate, but not exceeding \$1,000 each, from date thereof: *Provided, however,* That the common council of the said town of Cordova may reserve the right to pay off such bonds in their numerical order at the rate of \$10,000 or less thereof per annum from and after the expiration of four years from their date of issue. Principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer, town of Cordova, Alaska, or at such other place as may be designated by the common council of the town of Cordova, the place of payment to be mentioned in said bonds: *And provided further,* That each and every such bond shall have the written signature of the mayor and clerk of said town of Cordova and also bear the seal of said town.

**Provisos. Redemption.**

**Signatures and seal required.**

**Use of funds restricted.** SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than that specified in this Act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed by the treasurer of said town under the limitations hereinbefore imposed and under the direction of said common council from time to time as the same may be required for the purposes aforesaid.

**Sale of bonds.**

Approved, April 12 1930.

**April 12, 1930.**  
**[H. R. 8413.]**  
**[Public, No. 119.]**

**CHAP. 139.**—An Act Granting the consent of Congress to the Arkansas State Highway Commission to construct, maintain, and operate a free highway bridge across the Black River at or near Pocahontas, Arkansas.

**Black River. Arkansas may bridge, at Pocahontas.** *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby granted to the Arkansas State Highway Commission to construct, maintain, and operate a free highway bridge and approaches thereto across the Black River, at a point suitable to the interest of navigation, at or near Pocahontas, Arkansas, in accordance with the provisions of an Act entitled "An Act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

**Construction.**  
**Vol. 34, p. 84.**

**Amendment.** SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, April 12, 1930.

**April 12, 1930.**  
**[H. R. 9046.]**  
**[Public, No. 120.]**

**CHAP. 140.**—An Act To amend the fourth paragraph of section 13 of the Federal Reserve Act, as amended.

**Federal reserve banks.** *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the fourth paragraph of section 13 of the Federal Reserve Act, as amended (United States Code, title 12, section 345), be further amended to read as follows:

**Vol. 39, p. 752, amended.**  
**U. S. C., p. 281.**

**Rediscounts for member banks limited.** "The aggregate of notes, drafts, and bills upon which any person, copartnership, association, or corporation is liable as maker, acceptor, indorser, drawer, or guarantor, rediscounted for any member bank, shall at no time exceed the amount for which such person, copartnership, association, or corporation may lawfully become liable to a